Impact of lifting sanctions by USA

210. SHRI V. V. RAGHAVAN:
SHRI J. CHITHARANJAN:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that US has lifted some of the sanctions against India recently; and

(b) if so, the details of the sanctions lifted and how far this step will help manufacturing sector and trade;

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) Yes, Sir. On 22nd September 2001, the United States lifted sanctions imposed against India after India's nuclear tests in May 1998.

(b) Pursuant to President Bush's proclamation of September 22, 2001 lifting sanctions on India, the Bureau of Export Administration on October 1, 2001 published in the Federal Register a rule entitled "India and Pakistan: Lifting of Sanctions, Removal of Indian and Pakistani entities, and Revision in License Review Policy". This rule amends the Export Administration Regulations (EAR) by implementing President Bush's September 22, 2001 waiver of sanctions on India and Pakistan. The BXA rule lifts the sanctions by removing the license review policy of denial of exports and re-exports of Nuclear Proliferation (NP) and Missile Technology (MT) to India and Pakistan and restoring the use of License Exceptions for these items for entities not listed on the Entity List. In addition, the rule removes many Indian and Pakistani entities from the Entity List. The license review policy for items classified as EAR 99 (Items that are subject to the EAR, but are not listed on the Commerce Control List) has also been revised and the policy now presumes approval for all Indian and Pakistani-listed entities. Items on the Commerce Control List (CCL) will be considered on a case-by-case basis. The entitites which remain on the Entity List are as follows: Bharat Dynamics Limited (1 entity), DRDO (4 entities), DAE (3 entities and all nuclear reactor activity related entities, including power plants) and ISRO (8 entities).

The sanctions, prescribed by US domestic law, were termination of bilateral assistance under the US Foreign Assistance Act; prohibition of sale of defence and military articles, services and designs; termination of all foreign military finances; denial of credits or financial assistance by any department of United

States Government; opposition to extension of any loan by international financial institutions; prohibition on lending by any United States bank to the Government of India; and prohibition on exports of dual use goods and technology, particularly those relating to nuclear and missile development. The Indian economy had shown the resilence to withstand the impact of economic sanctions imposed by the United States. It is, however, expected that lifting of these restrictions will help enhancing trade and collaborative efforts in high technology areas with the United States.

Irregularities in Mortgaging KVP and IVP

211. SHRIMATI VANGA GEETHA:
DR. Y. LAKSHMI PRASAD:

Will the Minister of FINANCE be pleased to state:

(a) what are the details of branches of different Mumbai based nationalised banks wherein irregularities in mortgaging "Kisan Vikas Patras and Indira Vikas Patras" have been located by RBI, CBI and Ministry of Finance during the preceding three months;

(b) whether it is a fact that verification of genuineness of these Vikas Patras was not got done through issuing Post Office; and

(c) if so, details of the action taken against officers responsible therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) to (c) The information is being collected and will be laid on the Table of the House.

Protection of Small Investors' Interest

212. SHRI BHAGATRAM MANHAR:
SHRI RAJU PARMAR:

Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to the news-item titled "Centre to safeguard needs of investors" appearing in Asian Age, New Delhi on 24th October, 2001;

(b) if so, what steps Government have taken or propose to take to safeguard the interest of small investors;